

00-01130



BellSouth Telecommunications, Inc.
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RECEIVED
JUL 20 2001 PM 1 46
Guy M. Hicks
General Counsel

July 20, 2001
EXECUTIVE SECRETARY

615 214 6301
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VIA HAND DELIVERY

David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of the Direct Testimony of Jerry Kephart on behalf of BellSouth. Copies of the enclosed are being provided to counsel for Covad.

Very truly yours,

A handwritten signature in black ink, appearing to be "Guy M. Hicks", written over a horizontal line.

Guy M. Hicks

GMH:ch
Enclosure

CERTIFICATE OF SERVICE

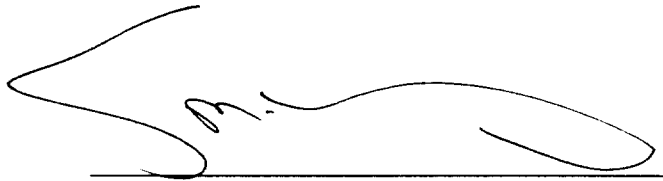
I hereby certify that on July 20, 2001, a copy of the foregoing document was served on the parties of record, via the method indicated:

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Henry Walker, Esquire
Boult, Cummings, et al.
P. O. Box 198062
Nashville, TN 37219-8062

- ☐ Hand
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- ☐ Facsimile
- ☐ Overnight

Catherine F. Boone, Esq.
Covad Communications Company
10 Glenlake Parkway, Suite 650
Atlanta, GA 30328

A handwritten signature in black ink, appearing to read "C. Boone", is written over a horizontal line.

1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 DIRECT TESTIMONY OF JERRY KEPHART
3 BEFORE THE TENNESSEE REGULATORY AUTHORITY
4 DOCKET NO. 00-01130
5 JULY 20, 2001

6
7 Q. PLEASE STATE YOUR NAME, YOUR BUSINESS ADDRESS, AND
8 YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC.
9 ("BELLSOUTH").

10
11 A. My name is Jerry Kephart. My business address is 675 West Peachtree
12 Street, Atlanta, Georgia 30375. I am Senior Director - Regulatory for
13 BellSouth. I have served in my present position since October 1997.

14
15 Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

16
17 A. My career in the telecommunications industry spans over 30 years and
18 includes responsibilities in the areas of network operations, commercial
19 operations, administration, and regulatory. I have held positions of
20 responsibility in BellSouth that include managing installation and
21 maintenance personnel engaged in providing customer telephone service
22 and also managing staff operations in support of these activities. I also
23 have extensive experience in managing regulatory activities for BellSouth
24 including FCC docket management work and public policy planning.

1 I graduated from Daytona Beach Junior College in 1964, with an
2 Associate of Science in Electronics Technology. I obtained a Bachelor of
3 Business Administration degree from the University of Florida in 1968.
4

5 Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE ANY STATE PUBLIC
6 SERVICE COMMISSION?

7
8 A. Yes, I have testified before the state Public Service Commissions in
9 Georgia and Florida.
10

11 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY TODAY?
12

13 A. I address the technical aspects of network related issues raised in the
14 Petition for Arbitration filed by COVAD in this docket. Specifically, I
15 address issues 7a, 7b, 26 and 31.
16

17 **Issue 7(a): When BellSouth provisions a non designed xDSL loop, under**
18 **what terms, conditions and costs, if any, should BellSouth be obligated to**
19 **participate in Joint Acceptance Testing to ensure the loop is properly**
20 **provisioned?**
21

22 Q. WHAT IS BELL SOUTH'S POSITION ON THIS ISSUE?
23

24 A. BellSouth will perform testing needed to provision the loop to ensure that a
25 non-designed xDSL loop ordered by Covad meets the specifications for

1 that particular loop. The loop standards are specified in BellSouth's
2 interconnection agreement with Covad and in BellSouth's Technical
3 Requirement 73600 (TR 73600), which is a reference document available
4 to Covad and other Competitive Local Exchange Carriers (CLECs) on
5 BellSouth's Internet website
6 (http://www.interconnection.bellsouth.com/guides/html/tech_ref.html). The
7 costs for performing this testing are included in the non-recurring charge
8 for the loop. Cost recovery for testing beyond what is needed to provision
9 the loop, such as Joint Acceptance Testing, is not included in the rate for a
10 non-designed xDSL. However, BellSouth has been performing additional
11 cooperative testing with other CLECs, with compensation based on time
12 and materials charging, and is willing to do cooperative testing with Covad
13 with the same compensation arrangement.

14
15 **Issue 7(b): Should BellSouth be prohibited from unilaterally changing the**
16 **definition of and specifications for its loops?**

17
18 Q. WHAT IS BELL SOUTH'S POSITION ON THIS ISSUE?

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20 A. BellSouth should not be prohibited from changing loop definitions and
21 specifications. BellSouth needs to be able to change specifications to
22 comply with changing industry standards or where dictated by technical
23 feasibility issues. Having this flexibility will allow BellSouth to offer uniform
24 and consistent loop products to meet the needs of all CLECs that provide
25 service in Tennessee and who acquire unbundled loops from BellSouth.

1 Without the flexibility to modify loop definitions, BellSouth could be put into
2 a situation where it would be contractually required to offer the same loop
3 type using many different specifications, resulting in confusion, added time
4 and cost to provisioning, maintenance and repair of the circuits.

5
6 Q. WHAT IS YOUR UNDERSTANDING OF COVAD'S CONCERN WITH
7 CHANGING LOOP DEFINITIONS AND SPECIFICATIONS?

8
9 A. BellSouth believes that Covad is concerned that BellSouth could
10 unilaterally change the specifications for a loop that Covad acquired
11 through their contract. Where there are technical specifications detailed in
12 the contract between BellSouth and Covad, BellSouth will adhere to those
13 specifications. BellSouth is not trying to change contract language that
14 would result in changes in loop definitions or specifications. But,
15 standards for loops that Covad acquires, for which there are not technical
16 specifications detailed in their contract with BellSouth, are defined through
17 the standards in BellSouth's TR 73600. Those standards change from
18 time to time.

19
20 Prohibiting BellSouth's ability to change loop definitions and specifications
21 as defined in TR 73600 would be an unreasonable constraint on its ability
22 to continue to meet the needs of all CLECs in Tennessee. BellSouth does
23 not seek authority to change contract language, but is attempting to
24 maintain the network in compliance with changing industry standards.
25 Industry standards are not set by BellSouth alone, but through a process

1 involving multiple exchange carriers, including Covad. Any changes to
2 the industry standards are reflected in TR 73600. CLECs are given 60
3 days notice when standards are being updated. Covad should not be
4 allowed to impose static network standards that could limit BellSouth's
5 ability to meet the needs of all CLECs that provide service in Tennessee
6 and who acquire unbundled loops from BellSouth.

7
8 In sum, if BellSouth and Covad include particular technical specifications
9 and definitions for loops in their agreement, BellSouth does not seek the
10 ability to change unilaterally those specifications and definitions. On the
11 other hand, if BellSouth and Covad have incorporated by reference certain
12 technical standards, such as TR73600, BellSouth should retain the
13 flexibility to update or otherwise modify such standards.

14
15 **Issue 26: Who should designate the point of demarcation?**

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17 Q. WHAT IS THE POINT OF DEMARCATION?

18
19 A. The demarcation point is the point at which BellSouth's network UNE
20 offering ends and the CLEC's network begins.

21
22 Q. WHAT IS BELL SOUTH'S POSITION ON WHO SHOULD DESIGNATE
23 THE POINT OF DEMARCATION?

1 A. For the reasons discussed below, BellSouth believes that BellSouth has
2 the right to designate the point of demarcation.

3

4 Q. WHY DOES BELLSOUTH BELIEVE IT HAS THE RIGHT TO
5 DESIGNATE THE DEMARCATION POINT?

6

7 A. There is nothing in the 1996 Act or the FCC Rules that allows the CLEC to
8 choose the point of demarcation between the Incumbent Local Exchange
9 Carrier's (ILEC's) network and the CLEC's collocation arrangement.
10 Thus, BellSouth has the authority to determine the demarcation point
11 within its central offices for CLECs choosing collocation as their method of
12 interconnecting with BellSouth's network. This is meant to ensure that
13 space is efficiently administered to the greatest benefit of BellSouth and all
14 CLECs. The District of Columbia Circuit Court of Appeals, in Docket No.
15 99-1176, recently addressed the issue of which party (that is, the ILEC or
16 the CLEC) has the right to designate where collocation occurs in the
17 ILEC's premises. The Court determined that to permit the CLEC to
18 designate where collocation occurs in an ILEC's premises may amount to
19 an unnecessary taking of an ILEC's premises. The right to designate the
20 collocation site (that is, where within the BellSouth central office a given
21 collocation arrangement will be located) and to designate where that
22 collocation arrangement terminates falls squarely within BellSouth's
23 responsibility and is essential if BellSouth is to control and manage the
24 space within its central offices in the most efficient manner and to the
25 benefit of all CLECs.

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Q. WHAT IS BELLSOUTH'S POSITION ON WHERE THE APPROPRIATE POINT OF DEMARCATION IS BETWEEN COVAD'S NETWORK AND BELLSOUTH'S NETWORK?

A. Each party should be responsible for maintenance and operation of all equipment/facilities on its side of the demarcation point. For 2-wire and 4-wire connections to BellSouth's network, the demarcation point should be a common block on the BellSouth designated CDF. The CLEC should be responsible for providing, and the CLEC's Certified Vendor should be responsible for installing and properly labeling/stenciling, the common block and necessary cabling to the established demarcation point. For all other terminations, BellSouth shall designate a demarcation point on a per arrangement basis. This is the same location BellSouth would terminate its own similar equipment. Moreover, Covad has complete access to this distributing frame for maintenance purposes.

Q. IS THE POINT OF TERMINATION (POT) BAY OR FRAME AN APPROPRIATE DEMARCATION POINT?

A. No. As discussed above, BellSouth should be permitted to designate the appropriate demarcation point, which is normally the distributing frame as discussed earlier. Covad may choose to use a Covad provided POT bay within its collocation space as an intermediary device but it should not serve as the demarcation point.

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Q. HAS ANY OTHER STATE PUBLIC SERVICE COMMISSION RULED ON THIS ISSUE?

A. Yes, the Georgia Public Service Commission stated in its Order in Docket No. 12444-U that “BellSouth shall be allowed to choose the demarcation point. The demarcation point, as chosen by BellSouth, shall be the CDF.”

Issue 31: Should BellSouth resolve all loop “facilities” issues within thirty days of receiving a complete and correct local service request from Covad?

Q. WHAT IS BELL SOUTH’S POSITION ON THIS ISSUE?

A. It is not reasonable to place an arbitrary, artificial time limit on when facilities issues can be resolved. Availability of facilities is affected by Outside Plant Construction workload and other factors. Facility problems for CLEC service requests are handled by BellSouth using the same procedures that BellSouth uses to handle its own facility problems. Facility issues resulting from BellSouth demand are not given a higher priority over similar facility issues resulting from Covad demand. Facility issues, regardless of the exchange carrier(s) generating the service request, are resolved in a nondiscriminatory manner.

Q. HOW DOES WORKLOAD AFFECT FACILITY ISSUES?

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A. BellSouth's construction forces have an ample workload to continue work activity for months if no further jobs are issued. Any jobs needed to resolve facilities issues are in addition to normal construction and maintenance work activity. Factors other than workload, however, can affect the prioritization of resolving facilities issues for CLEC demand as well as BellSouth demand.

Q. WHAT OTHER FACTORS CAN INFLUENCE THE TIME REQUIRED TO RESOLVE FACILITY ISSUES?

A. Emergency situations are among the factors that can impact the prioritization of the Outside Plant Construction workload. Work needed to restore service after a natural disaster or a major outage caused by human error will take priority over work to provision newly demanded service. Work that could be required to relieve network congestion or severe facility shortages will also be done ahead of demands for new service. Unforeseen situations can affect the time it takes to resolve facilities issues. Prioritization of Outside Plant workload will be affected by situations such as those referenced above.

Q. HOW DOES BELL SOUTH MINIMIZE THE LENGTH OF TIME REQUIRED TO RESOLVE FACILITY ISSUES?

1 A. In order to minimize delay due to facility issues, BellSouth outside plant
2 engineering and construction forces prioritize jobs such that work to
3 resolve facility demand which is a function of service order activity is
4 placed ahead of normal construction and routine activity. However,
5 service-affecting maintenance takes priority over any work to provide new
6 service. BellSouth makes every attempt to relieve facility problems as
7 quickly as possible, but it is not unusual for a relief job to require greater
8 than one month before being completed. It is therefore unreasonable to
9 place an artificial time constraint on the completion of jobs that will relieve
10 facility issues.

11

12 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

13

14 A. Yes.

AFFIDAVIT

STATE OF: Georgia
COUNTY OF: Fulton

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared Jerry Kephart – Senior Director – Regulatory, BellSouth Telecommunications Inc., who, being by me first duly sworn deposed and said that:

He is appearing as a witness before the Tennessee Regulatory Authority in Docket No. 00-01130 on behalf of BellSouth Telecommunications, Inc., and if present before the Authority and duly sworn, his testimony would be set forth in the annexed testimony consisting of 10 pages and 0 exhibit(s).


Jerry Kephart

Sworn to and subscribed
before me on July 20, 2001


NOTARY PUBLIC

Notary Public, Gwinnett County, Georgia
My Commission Expires June 27, 2005